

**ND ASSOCIATION OF COUNTIES FUND
INVESTMENT PERFORMANCE REPORT AS OF DECEMBER 31, 2002**

	December-02				September-02				Current	Prior Year	3 Years	5 Years
	Market Value	Allocation	Policy	Quarter Net ROR	Market Value	Allocation	Policy	Quarter Net ROR	Fiscal YTD	FY02	Ended 6/30/2002	Ended 6/30/2002
									Net	Net	Net	Net
LARGE CAP DOMESTIC EQUITY												
<i>Structured Growth</i>												
AllianceBernstein	6,470	2.6%	3.0%	2.89%	6,287	2.6%	3.0%	-13.54%	-11.04%	-28.65%	-16.80%	N/A
Russell 1000 Growth				7.15%				-15.05%	-8.97%	-26.49%	-16.15%	N/A
<i>Structured Value</i>												
LSV	7,256	2.9%	3.0%	6.53%	6,813	2.8%	3.0%	-18.60%	-13.28%	2.41%	5.40%	N/A
Russell 1000 Value				9.22%				-18.77%	-11.28%	-8.96%	-2.92%	N/A
<i>S&P 500 Index</i>												
State Street	33,797	13.4%	14.0%	8.41%	31,174	13.0%	14.0%	-17.26%	-10.30%	-18.03%	-9.27%	N/A
S&P 500				8.44%				-17.28%	-10.30%	-17.99%	-9.18%	N/A
TOTAL LARGE CAP DOMESTIC EQUITY	47,522	18.9%	20.0%	7.34%	44,273	18.4%	20.0%	-16.96%	-10.86%	-16.89%	-8.30%	N/A
S&P 500				8.44%				-17.28%	-10.30%	-17.99%	-9.18%	N/A
SMALL CAP DOMESTIC EQUITY												
<i>Manager-of-Managers</i>												
SEI	24,171	9.6%	10.0%	4.91%	23,041	9.6%	10.0%	-19.31%	-15.35%	-11.77%	N/A	N/A
Russell 2000 + 200bp				6.68%				-20.97%	-15.69%	-7.96%	N/A	N/A
TOTAL SMALL CAP DOMESTIC EQUITY	24,171	9.6%	10.0%	4.91%	23,041	9.6%	10.0%	-19.31%	-15.35%	-11.69%	2.22%	N/A
Russell 2000				6.16%				-21.40%	-16.55%	-8.59%	1.67%	N/A
CONVERTIBLES												
TCW	25,857	10.3%	10.0%	8.15%	23,908	9.9%	10.0%	-10.05%	-2.72%	-20.37%	-2.22%	N/A
First Boston Convertible Index				9.83%				-8.47%	0.52%	-12.44%	0.11%	N/A
INTERNATIONAL EQUITY												
<i>Large Cap - Active</i>												
Capital Guardian	23,301	9.3%	9.0%	7.30%	21,782	9.0%	10.0%	-20.58%	-14.78%	-12.10%	-2.96%	N/A
MSCI EAFE - 50% Hedged				4.04%				-20.02%	-16.79%	-14.62%	-7.32%	N/A
<i>Small Cap - Value</i>												
Lazard	2,545	1.0%	1.0%	N/A	-	0.0%	10.0%	N/A	N/A	N/A	N/A	N/A
SSB BROAD MARKET INDEX < \$2BN				N/A				N/A	N/A	N/A	N/A	N/A
TOTAL INTERNATIONAL EQUITY	25,846	10.3%	10.0%	7.81%	21,782	9.0%	10.0%	-20.58%	-14.37%	-12.10%	-2.96%	N/A
MSCI EAFE - 50% Hedged				4.04%				-20.02%	-16.79%	-14.62%	-7.32%	N/A
DOMESTIC FIXED INCOME												
<i>Core Bond</i>												
Western Asset	60,263	23.9%	22.5%	2.96%	59,018	24.5%	22.5%	3.51%	6.57%	8.36%	8.53%	N/A
Lehman Aggregate				1.57%				4.58%	6.22%	8.62%	8.10%	N/A
<i>Index</i>												
Bank of ND	31,968	12.7%	13.5%	1.65%	33,060	13.7%	13.5%	5.96%	7.71%	8.38%	7.79%	N/A
Bank of ND CD'S	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	N/A	5.04%	5.55%	N/A
Total Index	31,968	12.7%	13.5%	1.65%	33,060	13.7%	13.5%	5.96%	7.71%	8.14%	7.66%	N/A
Lehman Gov/Credit				1.73%				5.70%	7.52%	8.24%	7.86%	N/A
<i>BBB Average Quality</i>												
Strong	24,241	9.6%	9.0%	4.48%	23,400	9.7%	9.0%	3.08%	7.69%	N/A	N/A	N/A
Lehman US Credit BAA				4.59%				2.70%	7.42%	N/A	N/A	N/A
TOTAL DOMESTIC FIXED INCOME	116,471	46.3%	45.0%	2.89%	115,478	48.0%	45.0%	4.11%	7.12%	7.55%	7.88%	N/A
Lehman Gov/Credit				1.73%				5.70%	7.52%	8.24%	7.86%	N/A
CASH EQUIVALENTS												
<i>Bank of ND</i>												
90 Day T-Bill	11,878	4.7%	5.0%	0.41%	12,213	5.1%	5.0%	0.48%	0.89%	2.41%	4.76%	N/A
				0.43%				0.45%	0.88%	2.63%	4.68%	N/A
TOTAL NDACo FUND	251,745	100.00%	100.00%	4.65%	240,695	100.00%	100.00%	-6.55%	-2.20%	-4.80%	1.59%	N/A
POLICY TARGET BENCHMARK				4.60%				-6.24%	-1.92%	-3.26%	1.76%	N/A

NOTE: Monthly returns and market values are preliminary and subject to change.